

## Message Text

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42

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

CIEP-01 LAB-04 SIL-01 OMB-01 CEA-01 STR-04 IGA-02

/091 W

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R 231031Z NOV 76

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC 3742

INFO AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY KINGSTON

AMEMBASSY PARAMARIBO

AMEMBASSY PORT OF SPAIN

C O N F I D E N T I A L GEORGETOWN 2346

E.O. 11652: GDS

TAGS: BEGN, GY

SUBJECT: GOG HINTS AT NATIONALIZATION OF FOREIGN BANKS

1. THE GOG IS CURRENTLY CONTEMPLATING EXTENDING SOME FORM OF "LOCAL CONTROL" OVER FOREIGN BANKS. ON SEPTEMBER 16, THE "CHRONICLE" FEATURED THE PRIME MINISTER'S REMARKS AT THE OPENING OF THE GUYANA CO-OPERATIVE INSURANCE SERVICE IN A FRONT-PAGE ARTICLE WITH A HEADLINE PORTENDING "ALL BANKING SOON IN GUYANESE HANDS." MORE RECENTLY (NOVEMBER 21) THE "CHRONICLE" QUOTED THE PRIME MINISTER AS "HINTED THAT 'NOT SO LONG FROM NOW' THE SEVERAL FOREIGN BANKS IN GUYANA WOULD COME UNDER LOCAL CONTROL." THE "CHRONICLE" CONTINUED FURTHER, "AND, HINTING THAT THE FOREIGN BANKS WERE LIKELY TO BE NATIONALIZED SHORTLY HE (PRIME MINISTER BURNHAM) ASKED: 'WHAT WILL HAPPEN WHEN THE INSTITUTION

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BECOMES A VIRTUAL MONOPOLY?'"

2. COMMENT: CONTROL OF BANKING WOULD APPEAR TO BE THE NEXT STEP IN GUYANA'S "SOCIALIST THRUST." THE QUESTION IS WHAT TYPE OF CONTROLS WILL BE EXTENDED (I.E. COMPLETE NATIONALIZATION, MAJORITY OWNERSHIP, OR "MINIATURIZATION" OF THE ROLE PLAYED BY FOREIGN BANKS IN THE GUYANESE ECONOMY). ACCORDING TO ONE PRIVATE BANKER, THE GOG HAS NOT INFORMED THE FOREIGN BANKS OF WHAT ACTION IS TO BE TAKEN OR WHEN. SINCE A U.S. BANK (CHASE MANHATTAN BANK, N.A.) WOULD BE AFFECTED BY ANY ACTIONS ADOPTED BY THE GOG, THIS EMBASSY WOULD WELCOME GUIDANCE PERTAINING TO THIS MATTER. MCCOY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATIONALIZATION, BANKS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 NOV 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** blochd0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976GEORGE02346  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760435-1045  
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**Handling Restrictions:** n/a  
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**Office:** ACTION ARA  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** blochd0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 JUL 2004  
**Review Event:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOG HINTS AT NATIONALIZATION OF FOREIGN BANKS  
**TAGS:** EFIN, EINV, GY  
**To:** STATE  
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